



SENATE REPUBLICAN “2010 - YEAR OF THE REFORM”

FACT SHEET

Local Police & Fire Reform – SB 1072

Potential savings: \$70 - 118 Million

Expediting the arbitration process for police and fire (PA 312 reform)

The bill is a streamlined approach to improve a 40-year-old arbitration system that puts an emphasis on mediation makes the process more efficient and promotes good faith negotiation – all of which will lead to better outcomes.

Enhancing the qualifications and training of arbitrators will help increase the trust of all parties in the system and lead to fairer decisions both parties can accept.

Reducing arbitration hearing time frames – to a maximum of 180 days – will speed up a process that currently can last more than two years. A finite end will give more certainty for both municipalities and public safety officers.

The legislation maintains consideration of ability to pay that exists in current law. Historically, both sides have brought financial information regarding a community's ability to pay before PA 312 arbitrators. Decisions over the past two decades reveal that arbitrators do consider ability to pay and in most cases it trends with the economic conditions of the state.

The plan keeps a balance between public employers and police officer and firefighter collective bargaining groups by focusing on streamlining and improving the process – not on giving one side an advantage over the other. Public safety is one of the most important things government can provide, and we need to treat our police officers and firefighters fairly.

SB 1072 is a compromise that contains changes all sides agreed to in 2007. Unfortunately, some organizations have changed their minds about what it is they want.

Stakeholders from across the spectrum have called for PA 312 reform and or elimination including: Michigan Manufacturers Association, The Michigan Chamber of Commerce, Center for Michigan, Governor's 2007 Emergency Financial Advisory Panel, Business Leaders for Michigan and the Mackinac Center.

Prepared by Senate Majority Communications Office